

News Release



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Labor Department Seeks Appointment of Independent Fiduciary for Orphaned New Jersey Money Purchase Plan

NEW YORK, N.Y. -- The U.S. Department of Labor filed a lawsuit on July 16, 2003, to obtain a court-appointed independent fiduciary to manage and distribute retirement assets to participants and beneficiaries of the money purchase plan of Duane and Larkin, Inc. (D&L) in Madison, N. J. The plan's trustee abandoned the plan and failed to distribute its assets.

"The department is committed to doing everything we can to assist workers whose benefit plans have been abandoned by their fiduciaries," said Francis Clisham, director of the New York Regional Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA), which investigated the case.

Plans become "orphan plans" when they are abandoned by all fiduciaries designated to manage and operate them and their assets.

The lawsuit alleges that Joseph Duane, the company's owner and plan trustee, violated the Employee Retirement Income Security Act by abandoning the plan, failing to distribute its assets and failing to leave a forwarding address to which plan inquiries could be directed. The lawsuit was filed in the federal district court in Newark.

D & L marketed coffee and coffee machines to offices in the New Jersey area. It established its money purchase plan in 1984. The plan had 13 participants and held assets totaling \$1,881.30, according to the last available plan documents in 1993.

Employers and workers can reach EBSA's New York regional office at 212-607-8600 or EBSA's toll free number, 1-866-444-EBSA (3272), for help with problems relating to private-sector pension and health plans.

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(Chao v. Duane & Larkin Money Purchase Plan)

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